

# **GP Earnings and Expenses Enquiry 2004/05**

## **Headline Results**

## GP EARNINGS AND EXPENSES ENQUIRY 2004/05 – HEADLINE RESULTS

### Summary

This report presents the main results from the GP Earnings and Expenses Enquiry for the financial year 2004/05. The results are based on a sample of 17,897 GPs who report one or more source of self-employment income with accounting year ending in the final quarter (1<sup>st</sup> January 2005 to 5<sup>th</sup> April 2005). The data source for the survey is HM Revenue and Customs' (HMRC's) tax self-assessment (SA) database. Analyses were run on an anonymised dataset by statisticians in HMRC Knowledge, Analysis and Intelligence Information Centre. Figures relate to earnings, expenses and income derived from all self-employed sources, as reported on tax returns, and so include private as well as NHS work. The figures also include GPs' personal earnings that do not contribute towards the NHS Pension Scheme, and will therefore differ to average pensionable earnings figures sourced from the UK Pensions Agencies.

This enquiry is the first to be affected by the new General Medical Services (GMS) contract. The main findings are as follows:

- In 2004/05, average net income, for GPMS GPs (those GPs working under General Medical Services (GMS) or Personal Medical Services (PMS) contracts) in the UK, was:
  - **£102,388** for **non-dispensing** GPs (an increase of 30.4% since 2003/04)
  - **£127,924** for **dispensing** GPs (an increase of 31.2% since 2003/04).
- In 2004/05 average net income was:
  - **£102,437** for **GMS** GPs (an increase of 32.8% since 2003/04)
  - **£116,583** for **PMS** GPs (an increase of 26.5% since 2003/04)
- For GPMS GPs (non-dispensers and dispensers combined) in the UK in 2004/05, average net income was **£106,404**, an increase of 30.5% since 2003/04.
- The average GPMS gross earnings in 2004/05 was £236,330. The average expenses was £129,926.
- In 2004/05, the UK GPMS expenses to earnings ratio (the percentage of GPs' overall earnings accounted for by tax-allowable expenses) was 55.0%. This is a decrease from the 2003/04 expenses to earnings ratio of 59.5%, reflecting the higher increase in overall earnings compared to expenses over this period.
- In 2004/05, PMS net income was 13.8% higher than GMS net income (£116,583 compared to £102,437); the corresponding figure in 2003/04 was 19.5% (£92,168 compared to £77,152).
- In 2004/05, GMS dispensers had a 28.3% higher average net income than GMS non-dispensers (£125,516 compared to £97,825). PMS dispensers earned 19.3% more than their non-dispensing counterparts (£135,638 compared to £113,649). These differences are largely unchanged from 2003/04.

This report has been agreed by the Technical Steering Committee (TSC)<sup>1</sup>.

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<sup>1</sup> The TSC undertakes an agreed programme of work associated with technical aspects of GP contracts, and produces a series of reports for the negotiating parties. The committee includes representatives from the four UK health departments, NHS Employers and the BMA. The methodologies, information and reports are agreed at regular committee meetings

## GP EARNINGS AND EXPENSES ENQUIRY 2004/05 HEADLINE RESULTS

### Background

1. The Earnings and Expenses Enquiry (EEQ) is an annual survey of UK GP earnings and expenses, commissioned by the Technical Steering Committee (TSC).
2. The data source for the survey is HM Revenue and Customs' (HMRC) tax self-assessment (SA) database which covers earnings from all self-employed professional earnings sources. Analyses were run on an anonymised dataset by statisticians in HMRC Knowledge, Analysis and Intelligence Information Centre. This year's survey considers data relating to the 2004/05 tax year. All averages in the report relate to NHS **and** private work, for both full-time and part-time GPs. The figures also include GPs' personal earnings that do not contribute towards the NHS Pension Scheme, and will therefore differ to average pensionable earnings figures sourced from the UK Pensions Agencies.
3. The survey was originally undertaken using information on a sample of GPs. In recent years, it has been possible to produce a wider range of analyses using data on the majority of GPs in the UK, using those GPs with an accounting year ending in the fourth quarter only (i.e. between 1 January and 5 April).
4. This paper presents results from the 2004/05 tax year, when the effects of the nGMS contract are fully apparent (although some features of nGMS were introduced in 2003/04). This will be an important factor in explaining many of the changes since 2003/04.

### Methodology

5. It is important to note several **changes in the methodology** of this year's enquiry compared to that of previous years:
  - For the first time, UK-level results have been produced, instead of separate GB and Northern Ireland results. This means that the time series shown in reports from previous years cannot be continued in the same way. Figures from 1998/99 onwards have been included in this report; however, UK-level results have been calculated only for the 2003/04 enquiry (by combining GB and Northern Ireland results) to provide a comparator to the 2004/05 figures.
  - The introduction of the new contract has made it more difficult to identify the contract status for the population of interest – namely contractor GPs. Further discussion of this issue can be found in Annex A.
  - This year's enquiry uses a slightly different sample design. The variable previously used to signify practices "with help" is no longer recorded on the GP census. The way dispensing doctors are identified has also changed. Further details of these changes can be found in Annex A.

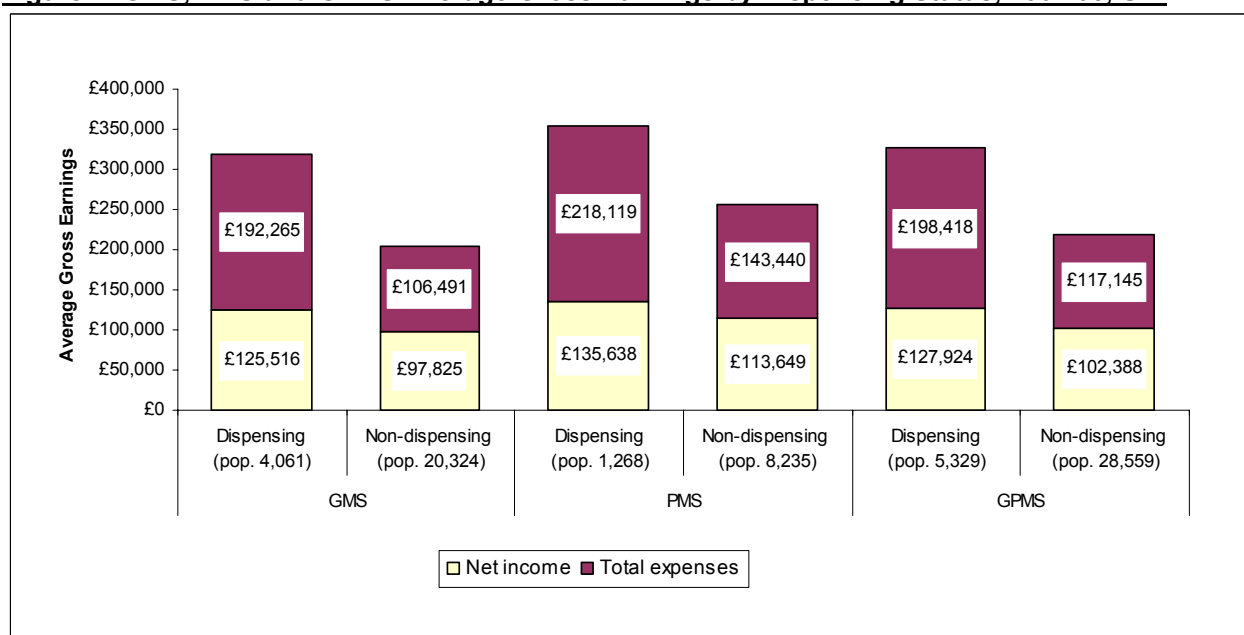
## Key Findings

6. Table A shows the average gross earnings, expenses, net income<sup>2</sup> and expenses-to-earnings ratio by contract type for 2004/05 and 2003/04. Figure 1 shows the average gross earnings, expenses and net income for 2004/05 by dispensing status.

**Table A: GMS, PMS and GPMS average gross earnings, expenses, net income and expenses ratio, 2003/04 to 2004/05, UK.**

		Gross Earnings	Total Expenses	Net Income	Expenses to Earnings Ratio (EER)
GPMS	2003/04	£201,630	£120,064	£81,566	59.5%
	2004/05	£236,330	£129,926	£106,404	55.0%
	% change	17.2%	8.2%	30.5%	-4.5 percentage points
GMS	2003/04	£188,694	£111,542	£77,152	59.1%
	2004/05	£223,212	£120,775	£102,437	54.1%
	% change	18.3%	8.3%	32.8%	-5.0 percentage points
PMS	2003/04	£232,697	£140,529	£92,168	60.4%
	2004/05	£269,989	£153,406	£116,583	56.8%
	% change	16.0%	9.2%	26.5%	-3.6 percentage points

**Figure 1: GMS, PMS and GPMS Average Gross Earnings by Dispensing Status, 2004/05, UK.**



<sup>2</sup> Earnings after tax-allowable expenses have been deducted.

The key findings are as follows:

- In 2004/05, average net income for GPMS GPs, with associated 95% confidence intervals, was:
  - **£102,388**± £549 for **non-dispensing** GPs (an increase of 30.4% since 2003/04), and
  - **£127,924**± £1,637 for **dispensing** GPs (an increase of 31.2% since 2003/04).
- In 2004/05, average net income, with associated 95% confidence intervals was:
  - **£102,437**± £539 for **GMS** GPs (an increase of 32.8% since 2003/04)
  - **£116,583**± £1160 for **PMS** GPs (an increase of 26.5% since 2003/04)
- For GPMS GPs (non-dispensers and dispensers combined) in the UK in 2004/05, average net income, with associated 95% confidence intervals, was **£106,404**± £529, an increase of 30.5% since 2003/04.
- The average GPMS gross earnings in 2004/05, with associated 95% confidence intervals, was £236,330± £1,250. The average expenses was £129,926± £890.
- In 2004/05, the UK GPMS expenses to earnings ratio was 55.0%. This is a decrease from the 2003/04 expenses to earnings ratio of 59.5%, reflecting the higher increase in gross earnings compared to expenses over this period.
- In 2004/05, PMS net income was 13.8% higher than GMS net income (£116,583 compared to £102,437); the corresponding figure in 2003/04 was 19.5% (£92,168 compared to £77,152).
- In 2004/05 GMS dispensers had a 28.3% higher net income than GMS non-dispensers (£125,516 compared to £97,825). PMS dispensers earned 19.3% more than their non-dispensing counterparts (£135,638 compared to £113,649); these differences are largely unchanged from 2003/04.

## Trends Over Time

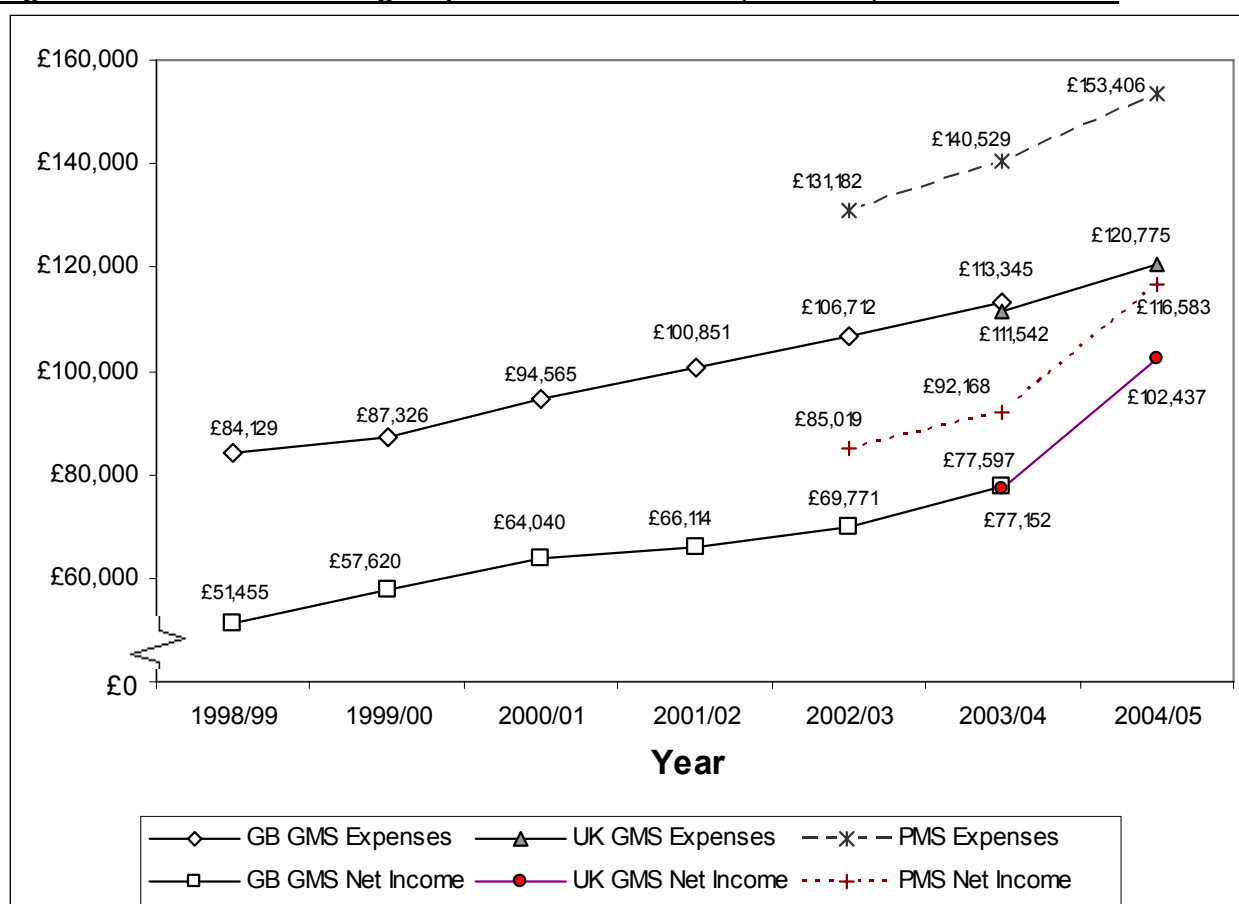
7. Table B and figure 2 illustrate trends in GMS earnings and expenses since 1998/1999. Figure 3 presents the expenses-to-earnings ratio for GMS GPs since 1998/99 and for PMS GPs since 2002/03.

**Table B: GMS average gross earnings, expenses, net income and expenses ratio, 1999/00 to 2004/05, GB/UK<sup>1</sup>**

	Gross Earnings		Total Expenses		Net Income		Expenses to Earnings Ratio (EER)	
	Average	% change since previous year	Average	% change since previous year	Average	% change since previous year	Average	% change since previous year
1998/99 (GB)	£135,584	-	£84,129	-	£51,455	-	0.6205	-
1999/00 (GB)	£144,946	6.9%	£87,326	3.8%	£57,620	12.0%	0.6025	-1.80 percentage points
2000/01 (GB)	£158,605	9.4%	£94,565	8.3%	£64,040	11.1%	0.5962	-0.62 percentage points
2001/02 (GB)	£166,965	5.3%	£100,851	6.6%	£66,114	3.2%	0.6040	0.78 percentage points
2002/03 (GB)	£176,483	5.7%	£106,712	5.8%	£69,771	5.5%	0.6047	0.06 percentage points
2003/04 (GB)	£190,942	8.2%	£113,345	6.2%	£77,597	11.2%	0.5936	-1.10 percentage points
2003/04 (UK)	£188,694	-	£111,542	-	£77,152	-	0.5911	-
2004/05 (UK)	£223,212	18.3%	£120,775	8.3%	£102,437	32.8%	0.5411	-5.00 percentage points

<sup>1</sup>The figures shown for 2004/05 (UK level) represent the percentage difference calculated from UK-level 2003/04 figures. Percentage changes for years previous to 2004/05 are calculated on the basis of GB-level figures.

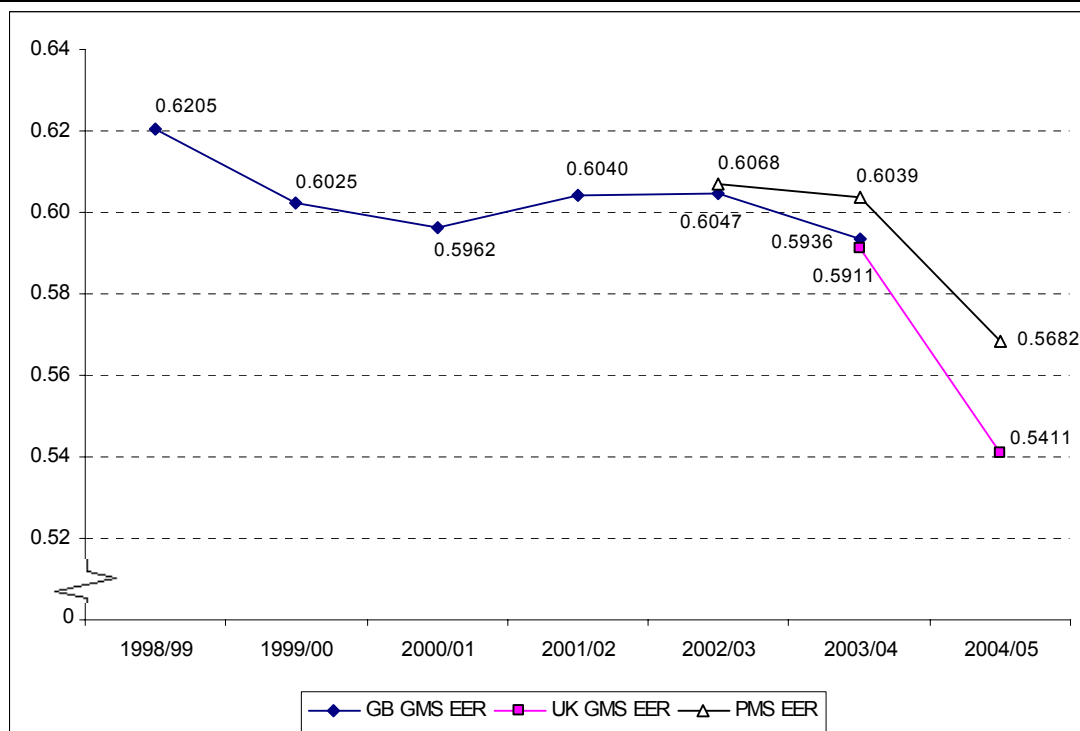
**Figure 2: GMS and PMS average expenses and net income, GB/UK<sup>1, 2</sup>, 1998/99 to 2004/05**



<sup>1</sup>PMS GPs exist in England and Scotland only. Comparable PMS data prior to 2002/03 are not available (see Annex A).

<sup>2</sup>GB-level figures to 2003/04; UK level figures thereafter.

**Figure 3: GMS and PMS Expenses to Earnings Ratio (EER), GB/UK<sup>1</sup>, 1998/99 to 2004/05**



<sup>1</sup>GB-level figures to 2003/04. UK level figures are given thereafter. PMS GPs exist in England and Scotland only; comparable figures are available from 2002/03 (see Annex A).

8. The GMS expenses to earnings ratio fell by 5.0 percentage points between 2003/04 and 2004/05. The PMS expenses to earnings ratio fell by 3.6 percentage points in the same period. Although expenses have increased in line with previous years, gross earnings have outpaced the increase in expenses, generating the decrease in the ratios.
9. Note that similar time series cannot be produced for PMS (and consequently GPMS) prior to 2002/03; see Annex A for further discussion of this.
10. Further details of the methodology of the enquiry, and detailed results for GMS, PMS and GPMS GPs from this year's enquiry are shown in annexes A-G:
  - **Annex A:** Methodological changes in the 2004/05 Earnings and Expenses Enquiry (EEQ).
  - **Annex B:** Table 1; a breakdown of expenses into net capital allowances (CAs) and other expenses by strata;
  - **Annex C:** Table 2; a breakdown of: Average expenses (by strata and expense category) and; Percentage of doctors with no expenses (by strata and expense category);
  - **Annex D:** Table 3; a comparison of UK headline strata data from Table 2 with last year's results.
  - **Annex E:** Table 4; a detailed analysis of standard error (SE) by strata;
  - **Annex F:** Table 5; a comparison of UK headline strata data from Table 4 with last year's results.
  - **Annex G:** Table 6; a comparison of UK headline strata data from Table 4 for GMS and PMS results.

## Annex A – Methodological Changes in the 2004/05 Earnings and Expenses Enquiry (EEQ)

### Identifying Contracted GPs

1. Historically, the EEQ has considered the earnings and expenses of contracted (self-employed) GPs. Such GPs were identified through the Exeter payments system since, under the old GMS contract, payments were made directly to individual GPs. Under the nGMS contract, payments are now made directly to the practice, making it more difficult for Exeter to identify the contract status of GPs (i.e. whether they are contractors or salaried employees). This year, contracted GPs have been identified by considering the proportion of income being derived from Schedule D and Schedule E sources<sup>3</sup>:

**“Contracted” GPs are those GPs with a Schedule D (self-employed) income of more than 10% of Schedule E (salaried) gross income. The converse is defined as “Salaried”.**

2. In order to test the accuracy of the above methodology of separating contracted and salaried doctors, HMRC analysts carried out an investigation by applying this method to an anonymised dataset of Scottish GPs, from the 2003/04 enquiry, whose contracted / salaried status was already known. The results from this investigation showed that 97% (267 of 276) of contractors and 71% (22 of 31) of salaried GPs were correctly identified with this method.
3. The proportion of the English and Welsh GPMS population, excluding assistants, who were identified as contracted in the 2004/05 enquiry was 97%, with 3% identified as being salaried. The removal of GPs identified as salaried has a minimal effect on the results.

### Changes to sample design (“stratification”)

4. Although enquiries are no longer sample-based, stratification is still used to enable weighting corrections within strata to account for GPs who are excluded from the dataset underlying the analysis (because they do not have a self-employed source with accounting period ending in the final quarter or complete information is not available. This ensures that there is no bias in the final findings of the enquiry. In previous enquiries, the variable used to signify practices “with help” had been used, with list size, to stratify the non-dispensing population. This variable is no longer recorded on the GP census. The non-dispensing population is now stratified by the size of the practice list only. Figure A below presents the stratification used for the 2003/04 and 2004/05 enquiries.

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<sup>3</sup> Schedule D refers to the tax schedule under which self-employed profits are assessed. Schedule E refers to the tax schedule under which Directors and employees of a company are assessed.

**Figure A – Stratification of the population for 2003/04 and 2004/05**

Stratification for 2003/04 EEQ	Stratification for 2004/05 EEQ
<b>Dispensers<sup>1</sup></b>	
1. With dispensing list size 0-799 2. With dispensing list size 800-1399 3. With dispensing list size 1400 & over	1. With list size <sup>2</sup> 0-1600 (dispensing proportion <sup>3</sup> < 50%) 2. With list size >1600 (dispensing proportion < 50%) 3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%) 4. With dispensing list size >1000 (dispensing proportion ≥50%)
<b>Non-dispensers</b>	
4. Without help <sup>4</sup> list size 0-1499 5. Without help list size 1500-1749 6. Without help list size 1750-1999 7. Without help list size 2000-2249 8. Without help list size 2250 & over 9. With help list size 0-1749 10. With help list size 1750-1999 11. With help list size 2000-2249 12. With help list size 2250 & over	5. With list size 0-1399 6. With list size 1400-1599 7. With list size 1600-1799 8. With list size 1800-1999 9. With list size 2000+

1 The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

2 'List size' is determined by dividing the total practice list size by all GPs (including salaried) in the practice.

3 Dispensing proportion = total number of dispensing patients/total practice list size

4 'Help' = one or more salaried partners and/or one or more assistants and/or one or more trainees and/or one or more salaried doctors under para 52 of the SFA

5. This year's enquiry classifies a dispensing GP as a GP that works at a dispensing practice. Previously "dispensing" had been defined using a census flag. In a limited number of cases doctors were flagged as "dispensing" when there were actually no dispensing patients in the practice. The new method is therefore a more reliable way of defining a dispensing GP.

### PMS comparisons over time

6. Time series cannot be produced for PMS (and consequently GPMS) prior to 2002/03 due to the following changes in the PMS enquiry methodology:
  - PMS GPs from **England only** were used in the analyses prior to 2002/03;
  - PMS GPs with **any accounting year-end** were used prior to 2002/03 due to the smaller population of PMS GPs in earlier years. The PMS analysis now only covers GPs with accounting year **end in Q4**, in line with the GMS methodology
  - **Salaried PMS GPs** (not including PMS other) were excluded in the 2002/03 and 2003/04 enquiries from the English PMS 'contracted or salaried' cohort using a methodology agreed by TSC. This was not done in the 2001/02 PMS enquiry.

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS

## SCHEDULE D EXPENSES BY PRACTICE TYPE - 2004/05

GPMS Practice Type	GPMS population at 30.09.04 <sup>1,7</sup>	Average expenses per contractor		
		Total	Other Expenses	Net CAs <sup>2</sup>
<b>All practice types<sup>3</sup></b>	<b>33,888</b>	<b>£129,926</b>	<b>£127,556</b>	<b>£2,371</b>
<b>Dispensing Doctors<sup>4</sup></b>				
1. With list size <sup>5</sup> 0-1600 (dispensing proportion < 50%)	1,394	£156,847	£154,349	£2,498
2. With list size >1600 (dispensing proportion < 50%)	2,147	£186,158	£183,333	£2,825
<b>All dispensing (dispensing proportion &lt; 50%)<sup>6</sup></b>	<b>3,541</b>	<b>£174,620</b>	<b>£171,923</b>	<b>£2,697</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	754	£187,333	£184,039	£3,295
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	1,035	£287,939	£284,825	£3,114
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>1,789</b>	<b>£245,531</b>	<b>£242,341</b>	<b>£3,190</b>
<b>All dispensing</b>	<b>5,329</b>	<b>£198,418</b>	<b>£195,556</b>	<b>£2,862</b>
<b>Non-dispensing Doctors</b>				
5. With list size 0-1399	5,054	£93,409	£91,614	£1,795
6. With list size 1400-1599	5,549	£102,694	£100,630	£2,064
7. With list size 1600-1799	5,672	£108,786	£106,684	£2,102
8. With list size 1800-1999	4,566	£117,391	£115,010	£2,381
9. With list size ≥ 2000	7,718	£149,072	£146,253	£2,819
<b>All non-dispensing</b>	<b>28,559</b>	<b>£117,145</b>	<b>£114,866</b>	<b>£2,279</b>

<sup>1</sup>The GPMS population figures may differ from other GPMS population figures used by TSC due to different methodologies

<sup>2</sup>Capital allowances less balancing charges

<sup>3</sup>Figures obtained by applying the population weights to the averages for the individual practice types

<sup>4</sup>The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1,2, 3 or 4

<sup>5</sup>List size is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>6</sup>Dispensing proportion = total number of dispensing patients/total practice list size

<sup>7</sup>Strata populations may not sum to subtotals due to rounding error when estimating contractor/salaried GP splits

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS

## SCHEDULE D EXPENSES BY PRACTICE TYPE - 2004/05

GMS Practice Type	GMS population at 30.09.04 <sup>1,7</sup>	Average expenses per contractor		
		Total	Other Expenses	Net CAs <sup>2</sup>
<b>All practice types<sup>3</sup></b>	<b>24,385</b>	<b>£120,775</b>	<b>£118,543</b>	<b>£2,232</b>
<u>Dispensing Doctors<sup>4</sup></u>				
1. With list size <sup>5</sup> 0-1600 (dispensing proportion < 50%)	1,021	£150,937	£148,563	£2,374
2. With list size >1600 (dispensing proportion < 50%)	1,555	£175,106	£172,434	£2,673
<b>All dispensing (dispensing proportion &lt; 50%)<sup>6</sup></b>	<b>2,576</b>	<b>£165,524</b>	<b>£162,969</b>	<b>£2,554</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	624	£187,302	£184,027	£3,274
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	860	£275,979	£272,906	£3,074
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>1,485</b>	<b>£238,675</b>	<b>£235,517</b>	<b>£3,158</b>
<b>All dispensing</b>	<b>4,061</b>	<b>£192,265</b>	<b>£189,490</b>	<b>£2,775</b>
<u>Non-dispensing Doctors</u>				
5. With list size 0-1399	3,613	£84,144	£82,431	£1,713
6. With list size 1400-1599	4,114	£94,633	£92,608	£2,026
7. With list size 1600-1799	4,182	£102,379	£100,360	£2,019
8. With list size 1800-1999	3,375	£110,926	£108,600	£2,326
9. With list size ≥ 2000	5,041	£132,622	£130,172	£2,450
<b>All non-dispensing</b>	<b>20,324</b>	<b>£106,491</b>	<b>£104,367</b>	<b>£2,124</b>

<sup>1</sup>The GMS population figures may differ from other GMS population figures used by TSC due to different methodologies

<sup>2</sup> Capital allowances less balancing charges

<sup>3</sup> Figures obtained by applying the population weights to the averages for the individual practice types

<sup>4</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1,2, 3 or 4

<sup>5</sup> List size is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>6</sup> Dispensing proportion = total number of dispensing patients/total practice list size

<sup>7</sup> Strata populations may not sum to subtotals due to rounding error when estimating contractor/salaried GP splits

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS

## SCHEDULE D EXPENSES BY PRACTICE TYPE - 2004/05

PMS Practice Type	PMS population at 30.09.04 <sup>1,7</sup>	Average expenses per contractor		
		Total	Other Expenses	Net CAs <sup>2</sup>
<b>All practice types<sup>3</sup></b>	<b>9,503</b>	<b>£153,406</b>	<b>£150,681</b>	<b>£2,725</b>
<b>Dispensing Doctors<sup>4</sup></b>				
1. With list size <sup>5</sup> 0-1600 (dispensing proportion < 50%)	372	£173,062	£170,225	£2,837
2. With list size >1600 (dispensing proportion < 50%)	592	£215,188	£211,962	£3,227
<b>All dispensing (dispensing proportion &lt; 50%)<sup>6</sup></b>	<b>964</b>	<b>£198,925</b>	<b>£195,849</b>	<b>£3,076</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	129	£187,472	£184,078	£3,394
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	175	£346,856	£343,542	£3,314
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>304</b>	<b>£279,000</b>	<b>£275,652</b>	<b>£3,348</b>
<b>All dispensing</b>	<b>1,268</b>	<b>£218,119</b>	<b>£214,978</b>	<b>£3,141</b>
<b>Non-dispensing Doctors</b>				
5. With list size 0-1399	1,441	£116,635	£114,636	£2,000
6. With list size 1400-1599	1,435	£125,793	£123,618	£2,175
7. With list size 1600-1799	1,490	£126,769	£124,433	£2,336
8. With list size 1800-1999	1,191	£135,703	£133,167	£2,536
9. With list size ≥ 2000	2,677	£180,049	£176,534	£3,515
<b>All non-dispensing</b>	<b>8,235</b>	<b>£143,440</b>	<b>£140,778</b>	<b>£2,661</b>

<sup>1</sup>The PMS population figures may differ from other PMS population figures used by TSC due to different methodologies

<sup>2</sup> Capital allowances less balancing charges

<sup>3</sup> Figures obtained by applying the population weights to the averages for the individual practice types

<sup>4</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1,2, 3 or 4

<sup>5</sup> List size is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>6</sup> Dispensing proportion = total number of dispensing patients/total practice list size

<sup>7</sup> Strata populations may not sum to subtotals due to rounding error when estimating contractor/salaried GP splits

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - EXPENSES BREAKDOWN

## GPMS

## Average expenses during 2004/05 (all doctors in strata)

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>£135,292</b>	<b>£12,999</b>	<b>£12,067</b>	<b>£73,505</b>	<b>£2,142</b>	<b>£3,421</b>	<b>£1,255</b>	<b>£27,533</b>	<b>£2,371</b>
Dispensing doctors (dispensing proportion < 50%)	£181,601	£13,662	£11,694	£76,471	£2,176	£4,398	£1,417	£69,086	£2,697
Dispensing doctors (dispensing proportion ≥ 50%)	£254,012	£15,879	£11,398	£78,566	£2,706	£4,581	£1,781	£135,909	£3,190
<b>All dispensing doctors</b>	<b>£205,903</b>	<b>£14,406</b>	<b>£11,595</b>	<b>£77,174</b>	<b>£2,354</b>	<b>£4,460</b>	<b>£1,539</b>	<b>£91,512</b>	<b>£2,862</b>
<b>All non-dispensing doctors</b>	<b>£122,116</b>	<b>£12,737</b>	<b>£12,155</b>	<b>£72,820</b>	<b>£2,102</b>	<b>£3,227</b>	<b>£1,202</b>	<b>£15,594</b>	<b>£2,279</b>

## Percentage of doctors in strata with no expenses in category during 2004/05

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>0.25%</b>	<b>0.29%</b>	<b>0.54%</b>	<b>1.30%</b>	<b>9.00%</b>	<b>29.64%</b>	<b>6.10%</b>	<b>1.53%</b>	<b>0.82%</b>
Dispensing doctors (dispensing proportion < 50%)	0.29%	0.29%	0.35%	1.46%	7.85%	16.61%	2.77%	0.77%	0.47%
Dispensing doctors (dispensing proportion ≥ 50%)	0.00%	0.00%	0.22%	0.90%	3.48%	17.08%	2.24%	0.79%	0.34%
<b>All dispensing doctors</b>	<b>0.19%</b>	<b>0.19%</b>	<b>0.31%</b>	<b>1.27%</b>	<b>6.38%</b>	<b>16.77%</b>	<b>2.59%</b>	<b>0.77%</b>	<b>0.42%</b>
<b>All non-dispensing doctors</b>	<b>0.26%</b>	<b>0.31%</b>	<b>0.59%</b>	<b>1.30%</b>	<b>9.49%</b>	<b>32.05%</b>	<b>6.76%</b>	<b>1.67%</b>	<b>0.89%</b>

## Note:

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available).

Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - EXPENSES BREAKDOWN

## GMS

## Average expenses during 2004/05 (all doctors in strata)

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>£125,864</b>	<b>£12,322</b>	<b>£11,281</b>	<b>£66,688</b>	<b>£2,094</b>	<b>£3,208</b>	<b>£1,141</b>	<b>£26,897</b>	<b>£2,232</b>
Dispensing doctors (dispensing proportion < 50%)	£171,961	£13,304	£10,731	£71,551	£2,162	£4,252	£1,263	£66,144	£2,554
Dispensing doctors (dispensing proportion ≥ 50%)	£246,999	£15,732	£11,193	£76,434	£2,581	£4,391	£1,734	£131,777	£3,158
<b>All dispensing doctors</b>	<b>£199,392</b>	<b>£14,192</b>	<b>£10,900</b>	<b>£73,336</b>	<b>£2,315</b>	<b>£4,303</b>	<b>£1,435</b>	<b>£90,137</b>	<b>£2,775</b>
<b>All non-dispensing doctors</b>	<b>£111,172</b>	<b>£11,948</b>	<b>£11,358</b>	<b>£65,360</b>	<b>£2,050</b>	<b>£2,989</b>	<b>£1,082</b>	<b>£14,261</b>	<b>£2,124</b>

## Percentage of doctors in strata with no expenses in category during 2004/05

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>0.10%</b>	<b>0.15%</b>	<b>0.31%</b>	<b>0.94%</b>	<b>9.02%</b>	<b>29.92%</b>	<b>6.22%</b>	<b>1.42%</b>	<b>0.67%</b>
Dispensing doctors (dispensing proportion < 50%)	0.24%	0.24%	0.33%	1.30%	7.22%	16.02%	2.71%	0.75%	0.33%
Dispensing doctors (dispensing proportion ≥ 50%)	0.00%	0.00%	0.13%	0.78%	4.18%	17.30%	2.02%	0.65%	0.27%
<b>All dispensing doctors</b>	<b>0.16%</b>	<b>0.16%</b>	<b>0.26%</b>	<b>1.11%</b>	<b>6.11%</b>	<b>16.49%</b>	<b>2.45%</b>	<b>0.71%</b>	<b>0.31%</b>
<b>All non-dispensing doctors</b>	<b>0.09%</b>	<b>0.15%</b>	<b>0.33%</b>	<b>0.91%</b>	<b>9.60%</b>	<b>32.61%</b>	<b>6.98%</b>	<b>1.56%</b>	<b>0.74%</b>

## Note:

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available). Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

## EARNINGS AND EXPENSES ENQUIRY 2004/05 - EXPENSES BREAKDOWN

## PMS

## Average expenses during 2004/05 (all doctors in strata)

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>£159,486</b>	<b>£14,738</b>	<b>£14,083</b>	<b>£90,996</b>	<b>£2,264</b>	<b>£3,969</b>	<b>£1,547</b>	<b>£29,164</b>	<b>£2,725</b>
Dispensing doctors (dispensing proportion < 50%)	£207,359	£14,619	£14,269	£89,617	£2,213	£4,789	£1,828	£76,948	£3,076
Dispensing doctors (dispensing proportion ≥ 50%)	£288,256	£16,600	£12,401	£88,979	£3,317	£5,511	£2,013	£156,086	£3,348
<b>All dispensing doctors</b>	<b>£226,750</b>	<b>£15,094</b>	<b>£13,821</b>	<b>£89,464</b>	<b>£2,477</b>	<b>£4,962</b>	<b>£1,872</b>	<b>£95,918</b>	<b>£3,141</b>
<b>All non-dispensing doctors</b>	<b>£149,127</b>	<b>£14,684</b>	<b>£14,123</b>	<b>£91,232</b>	<b>£2,231</b>	<b>£3,816</b>	<b>£1,497</b>	<b>£18,883</b>	<b>£2,661</b>

## Percentage of doctors in strata with no expenses in category during 2004/05

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation/loss profit on sale	Other	Net capital allowance
<b>All doctors</b>	<b>0.63%</b>	<b>0.65%</b>	<b>1.16%</b>	<b>2.25%</b>	<b>8.95%</b>	<b>28.80%</b>	<b>5.78%</b>	<b>1.82%</b>	<b>1.22%</b>
Dispensing doctors (dispensing proportion < 50%)	0.41%	0.41%	0.41%	1.93%	9.42%	17.91%	3.00%	0.79%	0.82%
Dispensing doctors (dispensing proportion ≥ 50%)	0.00%	0.00%	0.61%	1.22%	0.00%	14.89%	3.26%	1.22%	0.61%
<b>All dispensing doctors</b>	<b>0.31%</b>	<b>0.31%</b>	<b>0.46%</b>	<b>1.76%</b>	<b>7.16%</b>	<b>17.18%</b>	<b>3.06%</b>	<b>0.90%</b>	<b>0.77%</b>
<b>All non-dispensing doctors</b>	<b>0.68%</b>	<b>0.71%</b>	<b>1.27%</b>	<b>2.33%</b>	<b>9.22%</b>	<b>30.59%</b>	<b>6.20%</b>	<b>1.96%</b>	<b>1.29%</b>

## Note:

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available). Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON OF EXPENSES BETWEEN 2004/05 AND 2003/04 RESULTS**

**GPMS****Average expenses during 2004/05 (all doctors in strata)**

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>2004/05 Results</b>									
<b>All practice types<sup>1</sup></b>	<b>£135,292</b>	<b>£12,999</b>	<b>£12,067</b>	<b>£73,505</b>	<b>£2,142</b>	<b>£3,421</b>	<b>£1,255</b>	<b>£27,533</b>	<b>£2,371</b>
All dispensing <sup>2</sup>	£205,903	£14,406	£11,595	£77,174	£2,354	£4,460	£1,539	£91,512	£2,862
All non dispensing	£122,116	£12,737	£12,155	£72,820	£2,102	£3,227	£1,202	£15,594	£2,279

**Average expenses during 2003/04 (all doctors in strata)**

	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>2003/04 Results</b>									
<b>All practice types<sup>1</sup></b>	<b>£122,622</b>	<b>£13,151</b>	<b>£11,197</b>	<b>£62,725</b>	<b>£2,157</b>	<b>£3,244</b>	<b>£1,304</b>	<b>£26,196</b>	<b>£2,647</b>
All dispensing <sup>2</sup>	£190,440	£13,977	£10,753	£65,976	£2,248	£4,266	£1,464	£88,630	£3,127
All non dispensing	£109,421	£12,981	£11,272	£62,064	£2,137	£3,046	£1,271	£14,100	£2,550

**Numeric difference (2004/05 - 2003/04)**

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£12,670</b>	<b>-£152</b>	<b>£870</b>	<b>£10,780</b>	<b>-£16</b>	<b>£177</b>	<b>-£49</b>	<b>£1,336</b>	<b>-£276</b>
All dispensing <sup>2</sup>	£15,462	£430	£842	£11,198	£106	£194	£75	£2,882	-£264
All non dispensing	£12,695	-£244	£883	£10,756	-£34	£181	-£69	£1,493	-£271

**% change since 2003/04**

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>10.3%</b>	<b>-1.2%</b>	<b>7.8%</b>	<b>17.2%</b>	<b>-0.7%</b>	<b>5.4%</b>	<b>-3.8%</b>	<b>5.1%</b>	<b>-10.4%</b>
All dispensing <sup>2</sup>	8.1%	3.1%	7.8%	17.0%	4.7%	4.5%	5.1%	3.3%	-8.5%
All non dispensing	11.6%	-1.9%	7.8%	17.3%	-1.6%	6.0%	-5.5%	10.6%	-10.6%

<sup>1</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>2</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available). Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON OF EXPENSES BETWEEN 2004/05 AND 2003/04 RESULTS**

**GMS****Average expenses during 2004/05 (all doctors in strata)**

2004/05 Results	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£125,864</b>	<b>£12,322</b>	<b>£11,281</b>	<b>£66,688</b>	<b>£2,094</b>	<b>£3,208</b>	<b>£1,141</b>	<b>£26,897</b>	<b>£2,232</b>
All dispensing <sup>2</sup>	£199,392	£14,192	£10,900	£73,336	£2,315	£4,303	£1,435	£90,137	£2,775
All non dispensing	£111,172	£11,948	£11,358	£65,360	£2,050	£2,989	£1,082	£14,261	£2,124

**Average expenses during 2003/04 (all doctors in strata)**

2003/04 Results	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£113,848</b>	<b>£12,560</b>	<b>£10,310</b>	<b>£56,808</b>	<b>£2,127</b>	<b>£3,032</b>	<b>£1,199</b>	<b>£25,320</b>	<b>£2,493</b>
All dispensing <sup>2</sup>	£184,460	£13,605	£9,720	£62,853	£2,278	£4,073	£1,431	£87,495	£3,005
All non dispensing	£99,243	£12,330	£10,416	£55,525	£2,091	£2,817	£1,148	£12,532	£2,382

**Numeric difference (2004/05 - 2003/04)**

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£12,016</b>	<b>-£238</b>	<b>£971</b>	<b>£9,880</b>	<b>-£33</b>	<b>£176</b>	<b>-£58</b>	<b>£1,577</b>	<b>-£261</b>
All dispensing <sup>2</sup>	£14,932	£587	£1,179	£10,483	£37	£229	£4	£2,642	-£230
All non dispensing	£11,929	-£382	£941	£9,835	-£41	£172	-£66	£1,729	-£258

**% change since 2003/04**

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>10.6%</b>	<b>-1.9%</b>	<b>9.4%</b>	<b>17.4%</b>	<b>-1.5%</b>	<b>5.8%</b>	<b>-4.8%</b>	<b>6.2%</b>	<b>-10.5%</b>
All dispensing <sup>2</sup>	8.1%	4.3%	12.1%	16.7%	1.6%	5.6%	0.3%	3.0%	-7.6%
All non dispensing	12.0%	-3.1%	9.0%	17.7%	-2.0%	6.1%	-5.7%	13.8%	-10.8%

<sup>1</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>2</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available). Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON OF EXPENSES BETWEEN 2004/05 AND 2003/04 RESULTS**

## PMS

## Average expenses during 2004/05 (all doctors in strata)

2004/05 Results	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£159,486</b>	<b>£14,738</b>	<b>£14,083</b>	<b>£90,996</b>	<b>£2,264</b>	<b>£3,969</b>	<b>£1,547</b>	<b>£29,164</b>	<b>£2,725</b>
All dispensing <sup>2</sup>	£226,750	£15,094	£13,821	£89,464	£2,477	£4,962	£1,872	£95,918	£3,141
All non dispensing	£149,127	£14,684	£14,123	£91,232	£2,231	£3,816	£1,497	£18,883	£2,661

## Average expenses during 2003/04 (all doctors in strata)

2003/04 Results	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£143,695</b>	<b>£14,572</b>	<b>£13,326</b>	<b>£76,937</b>	<b>£2,231</b>	<b>£3,756</b>	<b>£1,557</b>	<b>£28,300</b>	<b>£3,016</b>
All dispensing <sup>2</sup>	£207,497	£15,038	£13,697	£74,883	£2,163	£4,815	£1,559	£91,868	£3,475
All non dispensing	£133,106	£14,494	£13,265	£77,278	£2,242	£3,580	£1,557	£17,750	£2,940

## Numeric difference (2004/05 - 2003/04)

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>£15,791</b>	<b>£167</b>	<b>£757</b>	<b>£14,059</b>	<b>£33</b>	<b>£213</b>	<b>-£11</b>	<b>£863</b>	<b>-£290</b>
All dispensing <sup>2</sup>	£19,253	£56	£124	£14,581	£315	£147	£314	£4,050	-£333
All non dispensing	£16,020	£189	£859	£13,953	-£11	£236	-£60	£1,133	-£278

## % change since 2003/04

Practice Type	Total expenses	Business	Premises	Employee	Car and travel	Interest	Depreciation /loss profit on sale	Other	Net capital allowance
<b>All practice types<sup>1</sup></b>	<b>11.0%</b>	<b>1.1%</b>	<b>5.7%</b>	<b>18.3%</b>	<b>1.5%</b>	<b>5.7%</b>	<b>-0.7%</b>	<b>3.1%</b>	<b>-9.6%</b>
All dispensing <sup>2</sup>	9.3%	0.4%	0.9%	19.5%	14.6%	3.1%	20.1%	4.4%	-9.6%
All non dispensing	12.0%	1.3%	6.5%	18.1%	-0.5%	6.6%	-3.9%	6.4%	-9.5%

<sup>1</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>2</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

Figures above **include** disallowable expenses (ie expenses that are not allowed, for tax purposes, because they are for personal, and not business, use) but exclude the expenses of GPs with a turnover of < £15,000 (because no detailed breakdown of expenses is available).

Figures in other tables **excluded** disallowable expenses and averages are as a result slightly lower (this is partly offset by the inclusion of expenses of GPs with turnover <£15,000 but the effect is very small).

Interest figures relate to:

- 1) Interest on bank and other loans (including overdrafts) reported as a business expenses, AND
- 2) Interest eligible for tax relief on qualifying loans reported in the main part of the return.

TABLE 4 - UK, GPMS

Annex E

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
SCHEDULE D GROSS EARNINGS, EXPENSES AND NET INCOME BY PRACTICE TYPE - 2004/05**

GPMS Practice Type	GPMS population at 30.09.04 <sup>1,6</sup>	Effective Returns	Gross Earnings		Expenses		Net Income	
			Average	Standard Error of average	Average	Standard Error of average	Average	Standard Error of average
<b>All practice types<sup>2</sup></b>	<b>33,888</b>	<b>17,897</b>	<b>£236,330</b>	<b>£638</b>	<b>£129,926</b>	<b>£454</b>	<b>£106,404</b>	<b>£270</b>
<u>Dispensing Doctors<sup>3</sup></u>								
1. With list size <sup>4</sup> 0-1600 (dispensing proportion < 50%)	1,394	693	£261,730	£4,076	£156,847	£2,890	£104,884	£1,502
2. With list size >1600 (dispensing proportion < 50%)	2,147	1,001	£317,802	£3,453	£186,158	£2,584	£131,644	£1,252
<b>All dispensing (dispensing proportion &lt; 50%)<sup>5</sup></b>	<b>3,541</b>	<b>1,694</b>	<b>£295,731</b>	<b>£2,638</b>	<b>£174,620</b>	<b>£1,936</b>	<b>£121,110</b>	<b>£962</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	754	374	£305,208	£6,079	£187,333	£4,640	£117,874	£2,175
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	1,035	517	£446,506	£6,560	£287,939	£4,974	£158,567	£2,267
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>1,789</b>	<b>891</b>	<b>£386,945</b>	<b>£4,579</b>	<b>£245,531</b>	<b>£3,479</b>	<b>£141,414</b>	<b>£1,600</b>
<b>All dispensing</b>	<b>5,329</b>	<b>2,585</b>	<b>£326,343</b>	<b>£2,331</b>	<b>£198,418</b>	<b>£1,737</b>	<b>£127,924</b>	<b>£835</b>
<u>Non-dispensing Doctors</u>								
5. With list size 0-1399	5,054	2,692	£171,968	£1,480	£93,409	£1,045	£78,559	£596
6. With list size 1400-1599	5,549	2,980	£194,690	£1,310	£102,694	£870	£91,996	£579
7. With list size 1600-1799	5,672	3,059	£207,821	£1,204	£108,786	£786	£99,035	£572
8. With list size 1800-1999	4,566	2,403	£224,074	£1,329	£117,391	£864	£106,683	£658
9. With list size 2000+	7,718	4,178	£274,457	£1,423	£149,072	£1,041	£125,384	£649
<b>All non-dispensing</b>	<b>28,559</b>	<b>15,312</b>	<b>£219,533</b>	<b>£619</b>	<b>£117,145</b>	<b>£431</b>	<b>£102,388</b>	<b>£280</b>

<sup>1</sup> The GPMS population figures may differ from other GPMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1, 2, 3 or 4

<sup>4</sup> 'List size' is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>5</sup> Dispensing proportion = total number of dispensing patients/total practice list size

<sup>6</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
SCHEDULE D GROSS EARNINGS, EXPENSES AND NET INCOME BY PRACTICE TYPE - 2004/05**

GMS Practice Type	GMS population at 30.09.04 <sup>1,6</sup>	Effective Returns	Gross Earnings		Expenses		Net Income	
			Average	Standard Error of average	Average	Standard Error of average	Average	Standard Error of average
<b>All practice types<sup>2</sup></b>	<b>24,385</b>	<b>12,997</b>	<b>£223,212</b>	<b>£634</b>	<b>£120,775</b>	<b>£447</b>	<b>£102,437</b>	<b>£275</b>
<u>Dispensing Doctors<sup>3</sup></u>								
1. With list size <sup>4</sup> 0-1600 (dispensing proportion < 50%)	1,021	491	£252,484	£4,384	£150,937	£3,069	£101,547	£1,677
2. With list size >1600 (dispensing proportion < 50%)	1,555	723	£303,662	£3,746	£175,106	£2,802	£128,556	£1,325
<b>All dispensing (dispensing proportion &lt; 50%)<sup>5</sup></b>	<b>2,576</b>	<b>1,214</b>	<b>£283,371</b>	<b>£2,852</b>	<b>£165,524</b>	<b>£2,084</b>	<b>£117,847</b>	<b>£1,040</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	624	322	£304,299	£6,729	£187,302	£5,064	£116,997	£2,385
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	860	423	£430,652	£6,779	£275,979	£5,222	£154,672	£2,327
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>1,485</b>	<b>745</b>	<b>£377,499</b>	<b>£4,841</b>	<b>£238,675</b>	<b>£3,700</b>	<b>£138,824</b>	<b>£1,681</b>
<b>All dispensing</b>	<b>4,061</b>	<b>1,959</b>	<b>£317,781</b>	<b>£2,531</b>	<b>£192,265</b>	<b>£1,891</b>	<b>£125,516</b>	<b>£902</b>
<u>Non-dispensing Doctors</u>								
5. With list size 0-1399	3,613	1,956	£160,357	£1,278	£84,144	£819	£76,212	£595
6. With list size 1400-1599	4,114	2,237	£182,657	£1,257	£94,633	£830	£88,024	£577
7. With list size 1600-1799	4,182	2,255	£198,393	£1,174	£102,379	£737	£96,014	£595
8. With list size 1800-1999	3,375	1,816	£214,781	£1,296	£110,926	£840	£103,854	£656
9. With list size 2000+	5,041	2,774	£251,400	£1,284	£132,622	£933	£118,778	£633
<b>All non-dispensing</b>	<b>20,324</b>	<b>11,038</b>	<b>£204,316</b>	<b>£568</b>	<b>£106,491</b>	<b>£381</b>	<b>£97,825</b>	<b>£276</b>

<sup>1</sup> The GMS population figures may differ from other GMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1, 2, 3 or 4

<sup>4</sup> 'List size' is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>5</sup> Dispensing proportion = total number of dispensing patients/total practice list size

<sup>6</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
SCHEDULE D GROSS EARNINGS, EXPENSES AND NET INCOME BY PRACTICE TYPE - 2004/05**

PMS Practice Type	PMS population at 30.09.04 <sup>1,6</sup>	Effective Returns	Gross Earnings		Expenses		Net Income	
			Average	Standard Error of average	Average	Standard Error of average	Average	Standard Error of average
<b>All practice types<sup>2</sup></b>	<b>9,503</b>	<b>4,900</b>	<b>£269,989</b>	<b>£1,450</b>	<b>£153,406</b>	<b>£1,044</b>	<b>£116,583</b>	<b>£592</b>
<u>Dispensing Doctors<sup>3</sup></u>								
1. With list size <sup>4</sup> 0-1600 (dispensing proportion < 50%)	372	202	£287,103	£9,163	£173,062	£6,636	£114,041	£3,153
2. With list size >1600 (dispensing proportion < 50%)	592	278	£354,946	£7,482	£215,188	£5,604	£139,758	£2,821
<b>All dispensing (dispensing proportion &lt; 50%)<sup>5</sup></b>	<b>964</b>	<b>480</b>	<b>£328,756</b>	<b>£5,798</b>	<b>£198,925</b>	<b>£4,290</b>	<b>£129,830</b>	<b>£2,117</b>
3. With dispensing list size 0-1000 (dispensing proportion ≥ 50%)	129	52	£309,568	£13,817	£187,472	£11,334	£122,096	£5,193
4. With dispensing list size >1000 (dispensing proportion ≥ 50%)	175	94	£524,610	£19,507	£346,856	£14,083	£177,754	£6,875
<b>All dispensing (dispensing proportion ≥ 50%)</b>	<b>304</b>	<b>146</b>	<b>£433,058</b>	<b>£12,653</b>	<b>£279,000</b>	<b>£9,418</b>	<b>£154,058</b>	<b>£4,525</b>
<b>All dispensing</b>	<b>1,268</b>	<b>626</b>	<b>£353,757</b>	<b>£5,351</b>	<b>£218,119</b>	<b>£3,966</b>	<b>£135,638</b>	<b>£1,941</b>
<u>Non-dispensing Doctors</u>								
5. With list size 0-1399	1,441	736	£201,078	£3,786	£116,635	£2,826	£84,443	£1,343
6. With list size 1400-1599	1,435	743	£229,173	£3,247	£125,793	£2,176	£103,380	£1,369
7. With list size 1600-1799	1,490	804	£234,281	£2,891	£126,769	£1,971	£107,512	£1,252
8. With list size 1800-1999	1,191	587	£250,398	£3,288	£135,703	£2,146	£114,695	£1,585
9. With list size 2000+	2,677	1,404	£317,872	£2,857	£180,049	£2,098	£137,823	£1,236
<b>All non-dispensing</b>	<b>8,235</b>	<b>4,274</b>	<b>£257,088</b>	<b>£1,457</b>	<b>£143,440</b>	<b>£1,038</b>	<b>£113,649</b>	<b>£615</b>

<sup>1</sup> The PMS population figures may differ from other PMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors and included in practice types 1, 2, 3 or 4

<sup>4</sup> 'List size' is determined by dividing the total practice list size by all GPs (including salaried) in the practice

<sup>5</sup> Dispensing proportion = total number of dispensing patients/total practice list size

<sup>6</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON BETWEEN 2004/05 AND 2003/04 RESULTS**

**GPMS****2004/05 Results**

Practice Type	GPMS population at 30.09.04 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types</b> <sup>2</sup>	<b>33,888</b>	<b>17,897</b>	<b>£236,330</b>	<b>£129,926</b>	<b>£106,404</b>
All dispensing <sup>3</sup>	5,329	2,585	£326,343	£198,418	£127,924
All non-dispensing	28,559	15,312	£219,533	£117,145	£102,388

**2003/04 UK results**

Practice Type	GPMS population at 30.09.03 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types</b> <sup>2</sup>	<b>32,616</b>	<b>16,527</b>	<b>£201,630</b>	<b>£120,064</b>	<b>£81,566</b>
All dispensing <sup>3</sup>	5,258	2,436	£286,075	£188,581	£97,494
All non-dispensing	27,358	14,091	£185,401	£106,895	£78,505

**Numeric difference (2004/05 - 2003/04)**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types</b> <sup>2</sup>	<b>£34,700</b>	<b>£9,863</b>	<b>£24,838</b>
All dispensing <sup>3</sup>	£40,267	£9,837	£30,431
All non-dispensing	£34,133	£10,250	£23,883

**% change since 2003/04**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types</b> <sup>2</sup>	<b>17.2%</b>	<b>8.2%</b>	<b>30.5%</b>
All dispensing <sup>3</sup>	14.1%	5.2%	31.2%
All non dispensing	18.4%	9.6%	30.4%

<sup>1</sup> The GPMS population figures may differ from other GPMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

<sup>4</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON BETWEEN 2004/05 AND 2003/04 RESULTS**

**GMS****2004/05 Results**

Practice Type	GMS population at 30.09.04 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types</b> <sup>2</sup>	<b>24,385</b>	<b>12,997</b>	<b>£223,212</b>	<b>£120,775</b>	<b>£102,437</b>
All dispensing <sup>3</sup>	4,061	1,959	£317,781	£192,265	£125,516
All non-dispensing	20,324	11,038	£204,316	£106,491	£97,825

**2003/04 UK results**

Practice Type	GMS population at 30.09.03 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types</b> <sup>2</sup>	<b>23,028</b>	<b>11,631</b>	<b>£ 188,694</b>	<b>£111,542</b>	<b>£77,152</b>
All dispensing <sup>3</sup>	3,893	1,801	£ 277,022	£183,013	£94,008
All non-dispensing	19,135	9,830	£ 170,724	£97,002	£73,723

**Numeric difference (2004/05 - 2003/04)**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types</b> <sup>2</sup>	<b>£34,518</b>	<b>£9,233</b>	<b>£25,285</b>
All dispensing <sup>3</sup>	£40,759	£9,252	£31,507
All non-dispensing	£33,592	£9,489	£24,103

**% change since 2003/04**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types</b> <sup>2</sup>	<b>18.3%</b>	<b>8.3%</b>	<b>32.8%</b>
<b>All dispensing</b> <sup>3</sup>	<b>14.7%</b>	<b>5.1%</b>	<b>33.5%</b>
<b>All non dispensing</b>	<b>19.7%</b>	<b>9.8%</b>	<b>32.7%</b>

<sup>1</sup> The GMS population figures may differ from other GMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

<sup>4</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON BETWEEN 2004/05 AND 2003/04 RESULTS**

**PMS****2004/05 Results**

Practice Type	PMS population at 30.09.04 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types<sup>2</sup></b>	<b>9,503</b>	<b>4,900</b>	<b>£269,989</b>	<b>£153,406</b>	<b>£116,583</b>
All dispensing <sup>3</sup>	1,268	626	£353,757	£218,119	£135,638
All non dispensing	8,235	4,274	£257,088	£143,440	£113,649

**2003/04 UK Results**

Practice Type	PMS population at 30.09.03 <sup>1,4</sup>	Effective Returns	Average Gross Earnings	Average Expenses	Average Net Income
<b>All practice types<sup>2</sup></b>	<b>9,588</b>	<b>4,896</b>	<b>£232,697</b>	<b>£140,529</b>	<b>£92,168</b>
All dispensing <sup>3</sup>	1,365	635	£311,900	£204,464	£107,436
All non dispensing	8,223	4,261	£219,552	£129,918	£89,634

**Numeric difference (2004/05 - 2003/04)**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types<sup>2</sup></b>	<b>£37,292</b>	<b>£12,877</b>	<b>£24,415</b>
All dispensing <sup>3</sup>	£41,857	£13,655	£28,202
All non-dispensing	£37,536	£13,522	£24,014

**% change since 2003/04**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types<sup>2</sup></b>	<b>16.0%</b>	<b>9.2%</b>	<b>26.5%</b>
All dispensing <sup>3</sup>	13.4%	6.7%	26.3%
All non dispensing	17.1%	10.4%	26.8%

<sup>1</sup> The PMS population figures may differ from other PMS population figures used by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

<sup>4</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

**EARNINGS AND EXPENSES ENQUIRY 2004/05 - GENERAL MEDICAL PRACTITIONERS  
COMPARISON BETWEEN PMS & GMS RESULTS**

**2004/05 Results**

Practice Type	PMS population at 30.09.04 <sup>1</sup>	Effective Returns	Gross Earnings		Expenses		Net Income	
			Average	Standard Error of average	Average	Standard Error of average	Average	Standard Error of average
<b>All practice types<sup>2</sup></b>	<b>9,503</b>	<b>4,900</b>	<b>£269,989</b>	<b>£1,450</b>	<b>£153,406</b>	<b>£1,044</b>	<b>£116,583</b>	<b>£592</b>
All dispensing <sup>3</sup>	1,268	626	£353,757	£5,351	£218,119	£3,966	£135,638	£1,941
All non-dispensing	8,235	4,274	£257,088	£1,457	£143,440	£1,038	£113,649	£615

Practice Type	GMS population at 30.09.04 <sup>1</sup>	Effective Returns	Gross Earnings		Expenses		Net Income	
			Average	Standard Error of average	Average	Standard Error of average	Average	Standard Error of average
<b>All practice types<sup>2</sup></b>	<b>24,385</b>	<b>12,997</b>	<b>£223,212</b>	<b>£634</b>	<b>£120,775</b>	<b>£447</b>	<b>£102,437</b>	<b>£275</b>
All dispensing <sup>3</sup>	4,061	1,959	£317,781	£2,531	£192,265	£1,891	£125,516	£902
All non-dispensing	20,324	11,038	£204,316	£568	£106,491	£381	£97,825	£276

**Numeric difference (PMS-GMS)**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types<sup>2</sup></b>	<b>£46,777</b>	<b>£32,631</b>	<b>£14,146</b>
All dispensing <sup>3</sup>	£35,976	£25,854	£10,122
All non-dispensing	£52,772	£36,949	£15,823

**% difference (PMS to GMS)**

Practice Type	Average Gross Earnings	Average Expenses	Average net income
<b>All practice types<sup>2</sup></b>	<b>21.0%</b>	<b>27.0%</b>	<b>13.8%</b>
All dispensing <sup>3</sup>	11.3%	13.4%	8.1%
All non-dispensing	25.8%	34.7%	16.2%

<sup>1</sup> The population figures may differ from corresponding population figures published by TSC due to different methodologies

<sup>2</sup> Gross earnings and expenses obtained by applying population weights to average for individual practice types. Net income is the difference between gross earnings and expenses.

<sup>3</sup> The non-dispensing partners of dispensing doctors are classified as dispensing doctors.

<sup>4</sup> Strata population may not sum to sub-totals due to rounding error when estimating contractor/salaried GP splits.

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